



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
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April 7, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

SACRAMENTO UPDATE

Pursuit of County Position on Legislation

AB 2300 (Dymally), as introduced on February 19, 2004, would require hospitals to develop a staffing plan for professional, technical, and support staff including respiratory therapists, clerical, dietary, and housekeeping staff, and others needed to ensure safe and adequate patient care. This staffing plan would be in addition to compliance with the minimum licensed nurse-to-patient ratios established by regulations implementing AB 394 (Kuehl) of 1999. To develop the plan, hospitals would be required to work with their recognized collective bargaining agents in order to consult with staff currently providing these services. Whenever a patient classification system is reviewed or revised, the hospital would also be required to review the professional, technical, and support staff plan, and revise it as needed.

The County Department of Health Services (DHS) indicates that AB 2300 could require hospitals to require staffing plans similar to existing nurse-to-patient ratios, for all hospital staff, from physicians to pharmacists and clerks to custodians, which would be prohibitively inefficient and costly to implement. There are also significant staffing shortages for many other medical personnel including primary care physicians, pharmacists, phlebotomists, and clinical laboratory scientists. County hospitals would be unable to compete successfully for these professional, technical, and support staff because private hospitals will be able to offer higher salaries and other attractive incentives.

AB 2712 (Aroner), which would have established staff-to-patient ratios for respiratory therapists, was opposed by the County in 2002 because it would have cost DHS an

estimated \$15 million to implement. AB 2712 died in the Assembly Health Committee. Respiratory therapists are only one of the professional staff to be included in the staffing plan proposed under AB 2300. Because AB 2300 would impose significant costs and recruitment problems that would far exceed those already faced by the Department to implement nurse-to-patient staffing ratios, DHS recommends that the County oppose AB 2300, and we concur. Consistent with County opposition to AB 394 in 1999 and AB 2712 in 2002, **our Sacramento advocates will oppose AB 2300.**

AB 2300 is sponsored by the Service Employees International Union. There is no registered support or opposition. AB 2300 is set for hearing in the Assembly Health Committee on April 20, 2004.

AB 2679 (Wolk), as amended on March 25, 2004, would extend the sunset date of existing law which requires the State Department of Health Services (SDHS) to provide Medi-Cal coverage to employed disabled people whose incomes do not exceed 250 percent of the Federal poverty level. It would extend the date on which this program would become inoperative from April 1, 2005 to April 1, 2008.

According to the author's staff, this program is the result of SDHS participation in a Federal Medicaid Infrastructure Grant to increase employment opportunities for California's disabled population. The \$6.3 million projected cost of extending the program for FY 2004-05 is included in the Governor's proposed Budget.

The County Department of Health Services and the County Department of Public Social Services recommend that the County support AB 2679 because extension of this very successful program would encourage the disabled to return to work and become productive members of society, and would help avoid escalating County health care costs by continuing to provide Medi-Cal benefits to employed disabled people, and we concur. Consistent with County policy to support proposals which reduce the number of uninsured individuals and expand Medi-Cal and Healthy Families Program coverage to low-income persons, **our Sacramento advocates will support AB 2679.**

AB 2679 is sponsored by the State Department of Health Services. There is no registered support or opposition. AB 2679 is set for hearing in the Assembly Health Committee on April 20, 2004.

SB 1801 (Bowen), as amended on March 23, 2004, would prohibit any State or local agency or court that accepts a credit card or debit card as payment for any service or obligation from imposing any processing fee or charge that is not also imposed upon persons who pay for the same service or obligation by cash or check. Existing law authorizes State and local agencies and courts to provide for payment by credit card for specified services, including the imposition of fees for the use of credit cards sufficient to recover fees or discounts charged by credit card issuers.

In 1998, the Board of Supervisors authorized the County Treasurer and Tax Collector (TTC) to solicit and enter into agreements with financial institutions and/or credit/debit card processors, for the acceptance and processing of credit/debit card transactions to implement approved cost neutral credit/debit card acceptance programs. During Fiscal Year 2002-03, the TTC accepted 36,453 transactions in credit card payments for secured property taxes, with \$1.4 million in related fees passed on to those taxpayers using credit cards. During the current fiscal year (July 2003 – February 2004), the department has accepted 26,537 transactions in credit card payments, with over \$1.1 million in related fees passed on to those taxpayers using credit cards.

The TTC indicates that SB 1801 would remove its authority to recover the fees it is charged by credit card issuers to accept secured property tax payments by property owners who elect to use credit cards. The County would have to absorb these fees as an increase in Net County Cost totaling approximately \$1.4 million annually. In the alternative, the County would have to discontinue the acceptance of credit card payments for property taxes. Therefore, the TTC recommends that the County oppose SB 1801, and we concur.

Because SB 1801 would reverse the Board-adopted practice of providing more payment options to the public that are cost neutral to the County, **our Sacramento advocates will oppose SB 1801.** There is no registered support or opposition. This measure is set for hearing on April 13, 2004 in the Senate Judiciary Committee.

We will continue to keep you advised.

DEJ:GK
MAL:JF:MS:EW:ib

c: Executive Officer, Board of Supervisors
County Counsel
Local 660
All Department Heads
Legislative Strategist
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants